State officials hope for budget deal but prepare for shutdown

Originally published June 18, 2015 at 12:50 pm Updated June 18, 2015 at 7:11 pm The Seattle Times

Gov. Jay Inslee's managers have directed agencies to start sending temporarylayoff notices to thousands of employees because lawmakers haven't reached agreement on a budget.

By RACHEL LA CORTE

The Associated Press

OLYMPIA — State officials said Thursday that while they don't believe a partial government shutdown will occur July 1, they are required to start the process of notifying state employees that they may be temporarily laid off if a state budget isn't adopted.

Gov. Jay Inslee's financial managers have directed agencies to start sending notices to thousands of employees Tuesday because lawmakers have been unable to finalize a two-year budget. The Office of Financial Management estimates that more than 26,000 workers would be furloughed if a budget isn't signed into law by midnight June 30.

Most notices will arrive by email; some letters will be sent Friday for employees who must receive notification by mail because they're on leave.

"The governor does remain optimistic that there will not be a government shutdown, and we will not have to implement these contingency plans," said Inslee spokeswoman Jaime Smith. "This is a process driven by due diligence and by legal and contractual obligations."

Nick Brown, general counsel for the governor, said dozens of agencies and other offices will completely close or partially close under a government shutdown. Exceptions would be legally mandated programs, including services for children or the mentally ill.

Also, agencies like the Department of Transportation, which had a maintenance budget approved in the first special session, would not be affected.

"This is not a determination by the governor or his staff about what is essential or nonessential," Brown said. "We simply make a determination of what services we can provide."

The Democrat-controlled House and Republican-controlled Senate have been locked in budget negotiations for several weeks. They're in a second overtime legislative session after adjourning both a regular 105-day legislative session and a 30-day special session without reaching a budget deal.

Washington state has never had a government shutdown. The Legislature has taken its budget talks to the brink before, including two years ago, when Inslee signed a budget June 30.

Under the government-shutdown contingency plan that is on the Office of Financial Management's website, all of the state's universities and community colleges would remain open. But agencies like the Liquor Control Board, state parks and state Lottery would face a shutdown, while others like the governor's office, the Department of Social & Health Services and Department of Corrections would face a partial shutdown.

Community supervision for offenders on probation would cease, except for out-of-state offenders supervised under an interstate compact.

David Schumacher, director of the state's Office of Financial Management, wouldn't discuss specifics of the ongoing budget talks, other than to say that he thinks it's likely that letters will be sent Tuesday because it would be "wildly optimistic" to think there'd be a budget deal by then.

But he echoed the governor's optimism that a shutdown will not occur.

"We have plenty of time to get our work done before the public needs to be concerned," Schumacher said.